

## **808 KAR 6:105. Records required.**

RELATES TO: KRS Chapter 286.4

STATUTORY AUTHORITY: KRS 286.4-610(1), (3)

NECESSITY, FUNCTION, AND CONFORMITY: KRS 286.4-610(1) authorizes the commissioner to promulgate administrative regulations for the proper conduct of consumer loan businesses licensed under KRS Chapter 286.4. This administrative regulation establishes recordkeeping requirements for consumer loan licensees.

Section 1. (1) Except as provided by subsection (2) of this section, a licensee shall keep and maintain the following books and accounting records:

(a) "Loan register" or its equivalent record, which shall be the book of original entry and permanent record and shall properly identify each account by number, date of loan, and amount of loan;

(b) An individual account ledger card with borrowers which shall:

1. Show the name and address of the borrower, the loan number, the amount and date of the loan and of its maturity, rate of interest, terms of repayment, the nature of the security, if any, for the loan and the dates of receipt and payment of recording fees together with the amount;

2. Provide separate columns for payments of principal;

3. Be kept in a manner that clearly shows the balance due on principal;

4. Have all payments credited promptly;

5. Have loan or payment cards for consumer loans or sales finance loans maintained in separate files at all times; and

6. If an error is made on the individual account ledger or card, be appropriately corrected without erasures;

(c) An appropriate filing system, which shall contain all the current evidences of indebtedness or security which have been signed by the borrower; and

(d) An individual index record that shall be maintained for every endorser, accommodation comaker, or surety, except a spouse listed on the record of the borrower. The individual index record shall be made immediately available for examination upon request by the Commissioner of the Department of Financial Institutions or his representatives.

(2) Instead of the books and records described in subsection (1)(a), (b), and (d) of this section, the licensee may maintain the required information with electronic data processing equipment. The required information shall be readily accessible and retrievable. Its form and content shall be consistent with the information available from the books and records described in subsection (1)(a), (b), and (d) of this section. (SLL-21; 1 Ky.R. 890; Am. 1391; eff. 6-11-75; 9 Ky.R. 966; eff. 3-2-83; TAm eff. 4-21-2007; 41 Ky.R. 2369; 42 Ky.R. 35; eff. 7-31-2015.)